HLS 08RS-354 REENGROSSED

Regular Session, 2008

HOUSE BILL NO. 461

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BY REPRESENTATIVE RITCHIE

TAX/AD VALOREM TAX: (Constitutional Amendment) Provides for transfer of the special assessment level to new property purchased to replace expropriated property

A JOINT RESOLUTION

2 Proposing to add Article VII, Section 18(G)(6) of the Constitution of Louisiana, relative to 3 the special assessment level when the homestead has been sold or expropriated under certain circumstances; to authorize the transfer of the special assessment level to a 4 5 new homestead in cases where a homestead has been sold or expropriated under certain circumstances; to provide for submission of the proposed amendment to the 6 7 electors; and to provide for related matters. 8 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members 9 elected to each house concurring, that there shall be submitted to the electors of the state of 10 Louisiana, for their approval or rejection in the manner provided by law, a proposal to add 11 Article VII, Section 18(G)(6) of the Constitution of Louisiana, to read as follows: 12 §18. Ad Valorem Taxes 13 Section 18.(A) 14 15 (G)(1) Special Assessment Level. 16 17 (6) The special assessment level on property that has been sold to or 18 expropriated by the federal government, state government, expropriated by the state 19 or any local governing authority or political subdivision shall be transferred to the 20 new property of the owner entitled to the special assessment level and shall remain

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	in effect on the new property at the same special assessment level of the property that
2	was sold or expropriated, provided the owner entitled to the special assessment level
3	remains the owner of the new property. The provisions of this Paragraph shall only
4	apply to new property acquired by an owner entitled to the special assessment level
5	which is acquired no later than twenty-four months after the expropriation or sale has
6	become final and funds have been disbursed and which is similar in nature, has a fair
7	market value which does not exceed two hundred percent of the fair market value of
8	the property sold or expropriated, and is intended to replace the property sold to or
9	expropriated by the federal government, state government, or a local governing
10	authority or political subdivision.
11	Section 2. Be it further resolved that this proposed amendment shall be submitted
12	to the electors of the state of Louisiana at the statewide election to be held on November 4,
13	2008.
14	Section 3. Be it further resolved that on the official ballot to be used at said election
15	there shall be printed a proposition, upon which the electors of the state shall be permitted
16	to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall
17	read as follows:
18	To authorize the transfer of the special assessment level on property when the
19	property for which the special assessment level applies has been sold to or
20	expropriated by the federal government, state government, or a local
21	governing authority or political subdivision. (Adds Article VII, Section
22	18(G)(6))

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Ritchie HB No. 461

Abstract: Authorizes the transfer of the special assessment level on property when the property for which the special assessment level applies has been sold to or expropriated by a federal, state, or local governing authority or political subdivision.

<u>Present constitution</u> provides for the valuation and classification of property subject to ad valorem property taxation. Further provides for the assessment of residential property receiving the homestead exemption which is owned or occupied by persons who meet requirements and qualify for a special assessment level which prohibits the total assessment of such property from being increased, provided such person remains qualified for and receives the special assessment level.

<u>Proposed constitutional amendment</u> provides that the special assessment level on property that is sold to or expropriated by a federal, state, or local governing authority or political subdivision shall be transferred to the new property of the owner entitled to the special assessment level and shall remain in effect on the new property at the same special assessment level of the property that was sold or expropriated, provided the owner entitled to the special assessment level remains the owner of the new property.

<u>Proposed constitutional amendment</u> further requires that the new property acquired by an owner entitled to the special assessment be acquired no later than 24 months after the expropriation or sale becomes final and funds have been disbursed and which is similar in nature, has a fair market value which does not exceed 200% of the fair market value of the property sold or expropriated, and is intended to replace the property sold to or expropriated by the federal, state, or a local governing authority or political subdivision.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 4, 2008.

(Adds Article VII, §18(G)(6))

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Ways and Means</u> to the original bill.

1. Provides that the value of the new property entitled to the special assessment level shall not exceed 150% of the value of the expropriated property.

House Floor Amendments to the engrossed bill.

- 1. Adds provision making <u>proposed law</u> applicable to property sold to a governmental entity.
- 2. Adds provision making <u>proposed law</u> applicable to property sold to or expropriated by the federal government.
- 3. Adds provision that the new property be acquired no later than 24 months after the expropriation or sale becomes final and funds have been disbursed.
- 4. Adds prohibition that the fair market value of the new property exceed 200% of the fair market value of the property sold or expropriated.